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*Jeffrey M. Nelson*  
Counsel for ORS

January 2, 2009

**VIA EFILING**

Charles L.A. Terreni  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
Post Office Box 11649  
Columbia, South Carolina 29211

RE: 2008-142-WS Application of Goat Island Water & Sewer Co., Inc. for an Increase in its Rates and Charges for the Provision of Water and Sewer Services and Approval of Management Agreement

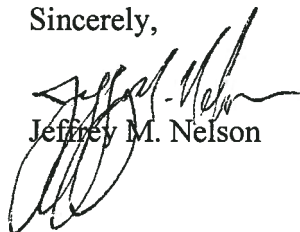
Dear Mr. Terreni:

Enclosed please find a copy of the newly executed performance bond of the Goat Island Water and Sewer Company, Inc. ("Goat Island"). The amount of the bond is in accord with the terms of the settlement agreement entered between Goat Island and ORS in the above referenced docket and approved by the Commission in Order No. 2008-699.

The bond additionally satisfies the request of the Commission regarding an ORS audit and determination of the adequacy of the bond amount for Goat Island as stated in Order No. 2007-655 (Docket No. 2007-234-WS).

Please contact me if you have any questions or concerns regarding this request.

Sincerely,



Jeffrey M. Nelson

JMN/pjm

cc: Richard L. Whitt, Esquire  
Willie Morgan, ORS TTWWW

**PERFORMANCE BOND**  
**FINANCIAL STATEMENT**  
**(SEWER UTILITIES)**

KNOW ALL MEN BY THESE PRESENTS, that Goat Island Water and Sewer Company, Inc. being duly qualified to do business in the State of South Carolina, designated as "principal", and that Timothy P. Oliver, designated as "surety"/"sureties" is/are held and firmly bound unto the Public Service Commission of South Carolina, designated as "obligee", in the penal sum of \$ 100,000, for the payment of which well and truly to be made, the principal binds itself, its successors and assigns, and the surety/sureties bind themselves, their personal representatives, and their assigns, jointly and severally, firmly by these presents.

WHEREAS, in accordance with the provisions of S. C. Code Ann., §58-5-720 (1976, as amended), which requires the principal to furnish a bond with sufficient surety, to the satisfaction of the obligee, conditioned as provided in said §58-5-720, and

WHEREAS, the obligee has granted the principal a Certificate of Public Convenience and Necessity and approved a schedule of rates for sewer service in areas shown on operating maps filed with the obligee, and

WHEREAS, this bond, when approved by the obligee, conditioned as in said §58-5-720, is to cover any and all liability which may arise as a result of the principal failing to provide adequate and sufficient service within its service area as prescribed in §58-5-720, and

**FINANCIAL STATEMENT**

**Sewer Utilities**

**Page 2**

**WHEREAS, the obligee, upon notice and hearing, shall have the right to declare all or any part of the bond forfeited upon a determination by the obligee that the principal shall have willfully failed to provide such service as prescribed above, without just cause or excuse, and that such failure has continued for an unreasonable length of time, and**

**WHEREAS, the liability under the terms of this bond is hereby extended so as to include any fines or penalties imposed or assessed by the obligee against the principal under the provisions of S.C. Code Ann. §58-5-710 (1976 as amended), and**

**WHEREAS, in the event that any judicial action or proceedings are initiated with respect to this bond, the parties hereby agree that the venue thereof shall be Richland County, State of South Carolina, and**

**WHEREAS, the surety/sureties, as stockholders of the principal, undertake this obligation for and in consideration of the principal being able to continue to operate a sewer utility providing service to the public for compensation under the jurisdiction of the obligee, and**

**WHEREAS, the surety/sureties, as shall file with this bond a Financial Statement showing personal assets, liabilities, and net worth; and shall file annually with the obligee a revised Financial Statement as long as the bond continues in effect, and**

**WHEREAS, this bond shall become effective on the date executed by the principal and surety/sureties, and shall continue from year to year unless the obligations of the principal and surety/sureties under this bond are expressly released by the obligee in writing, and**

FINANCIAL STATEMENT  
Sewer Utilities  
Page 3

WHEREAS, the obligee upon notice and opportunity to the principal and surety/sureties to be heard, may order that the face amount of this bond to be changed within the limits set forth in S. C. Code Ann., §58-5-720 (1976 as amended).

NOW THEREFORE, in testimony whereof, said principal has hereunto subscribed its name and said principal has caused this instrument to be signed by its duly authorized officers, and its corporate seal to hereunto affixed this 17 day of December, 2008; and that said surety/sureties have caused this instrument to be signed this 17 day of December, 2008

SURETY/SURETIES:

[Signature]  
Signature

Goat Island Water & Sewer  
Company Co., INC.

IN THE PRESENCE OF:

[Signature]  
Witness # 1

[Signature]  
Witness # 2

[Signature]  
By  
Office Manager  
Title

IN THE PRESENCE OF

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness # 1

\_\_\_\_\_  
Witness # 2

**PERFORMANCE BOND**  
**FINANCIAL STATEMENT**  
**(WATER UTILITIES)**

KNOW ALL MEN BY THESE PRESENTS, that Goat Island Water and Sewer Company, Inc. being duly qualified to do business in the State of South Carolina, designated as "principal", and that Timothy P. Oliver, designated as "surety"/"sureties" is/are held and firmly bound unto the Public Service Commission of South Carolina, designated as "obligee", in the penal sum of \$ 135,000, for the payment of which well and truly to be made, the principal binds itself, its successors and assigns, and the surety/sureties bind themselves, their personal representatives, and their assigns, jointly and severally, firmly by these presents.

WHEREAS, in accordance with the provisions of S. C. Code Ann., §58-5-720 (1976, as amended), which requires the principal to furnish a bond with sufficient surety, to the satisfaction of the obligee, conditioned as provided in said §58-5-720, and

WHEREAS, the obligee has granted the principal a Certificate of Public Convenience and Necessity and approved a schedule of rates for water service in areas shown on operating maps filed with the obligee, and

WHEREAS, this bond, when approved by the obligee, conditioned as in said §58-5-720, is to cover any and all liability which may arise as a result of the principal failing to provide adequate and sufficient service within its service area as prescribed in §58-5-720, and

**WHEREAS, the obligee, upon notice and hearing, shall have the right to declare all or any part of the bond forfeited upon a determination by the obligee that the principal shall have willfully failed to provide such service as prescribed above, without just cause or excuse, and that such failure has continued for an unreasonable length of time, and**

**WHEREAS, the liability under the terms of this bond is hereby extended so as to include any fines or penalties imposed or assessed by the obligee against the principal under the provisions of S.C. Code Ann. §58-5-710 (1976 as amended), and**

**WHEREAS, in the event that any judicial action or proceedings are initiated with respect to this bond, the parties hereby agree that the venue thereof shall be Richland County, State of South Carolina, and**

**WHEREAS, the surety/sureties, as stockholders of the principal, undertake this obligation for and in consideration of the principal being able to continue to operate a water utility providing service to the public for compensation under the jurisdiction of the obligee, and**

**WHEREAS, the surety/sureties, as shall file with this bond a Financial Statement showing personal assets, liabilities, and net worth; and shall file annually with the obligee a revised Financial Statement as long as the bond continues in effect, and**

**WHEREAS, this bond shall become effective on the date executed by the principal and surety/sureties, and shall continue from year to year unless the obligations of the principal and surety/sureties under this bond are expressly released by the obligee in writing, and**

WHEREAS, the obligee upon notice and opportunity to the principal and surety/sureties to be heard, may order that the face amount of this bond to be changed within the limits set forth in S. C. Code Ann., §58-5-720 (1976 as amended).

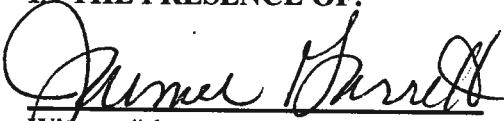
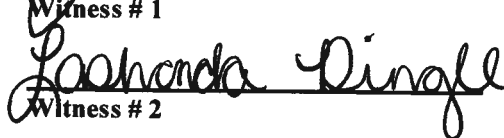
NOW THEREFORE, in testimony whereof, said principal has hereunto subscribed its name and said principal has caused this instrument to be signed by its duly authorized officers, and its corporate seal to hereunto affixed this 17 day of December 2008; and that said surety/sureties have caused this instrument to be signed this 17 day of December 2008

**SURETY/SURETIES:**

  
\_\_\_\_\_  
Signature

Coast Island Water & Sewer  
Company  
Co., Inc.

**IN THE PRESENCE OF:**

  
\_\_\_\_\_  
Witness # 1  
  
\_\_\_\_\_  
Witness # 2

Billie Ann Oliver  
By  
Office Manager  
Title

**IN THE PRESENCE OF**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness # 1

\_\_\_\_\_  
Witness # 2